## **BEFORE**

## THE PUBLIC SERVICE COMMISSION OF

## SOUTH CAROLINA

DOCKET NO. 2003-113-C - ORDER NO. 2003-356

MAY 29, 2003

IN RE: Application of VarTec Telecom, Inc. for

ORDER GRANTING

Approval of Flexible Regulation of its Local

FLEXIBLE

Exchange Services Tariff Filings.

REGULATION

This matter comes before the Public Service Commission of South Carolina (the Commission) on the request of VarTec Telecom, Inc. (VarTec or the Company) for approval of flexible regulation of its local exchange services. VarTec requests that the Commission regulate its local service in accordance with the principles and procedures established for flexible regulation by Order No. 98-165 in Docket No. 97-467-C. Further, VarTec requests that the Commission adopt a rate structure incorporating maximum rate levels for its local exchange service offerings with the flexibility for adjustment below the maximum rate levels in keeping with the procedures established for flexible regulation in Order No. 98-165 in Docket No. 97-467-C. Specifically, VarTec requests that its local exchange tariff filings be presumed valid upon filing, subject to the Commission's right within thirty (30) days to institute an investigation of the tariff filing, in which case such tariff filings would be suspended pending further order of the Commission, and that any tariff filings will be subject to the same monitoring process as similarly situated competitive local exchange carriers.

Pursuant to the instructions of the Commission's Executive Director, the matter was published in the Commission's subscription service. No Protests or Petitions to Intervene were received. We will therefore proceed to dispose of the matter summarily.

Flexible regulation of local exchange services has been frequently approved by this Commission to promote competition in the telecommunications industry in South Carolina. We believe that flexible regulation will continue to promote competition in the telecommunications industry in South Carolina. Accordingly, we approve VarTec's request for flexible regulation.

VarTec's local telecommunications services shall be regulated in accordance with the principles and procedures established for flexible regulation first granted to NewSouth Communications by Order No. 98-165 in Docket No. 97-467-C. Specifically, the Commission adopts for VarTec's competitive intrastate local exchange services a rate structure incorporating maximum rate levels with the flexibility for adjustment below the maximum rate levels that will have been previously approved by the Commission. Further, VarTec's local exchange service tariff filings are presumed valid upon filing, subject to the Commission's right within thirty (30) days to institute an investigation of the tariff filing, in which case the tariff filing would be suspended pending further Order of the Commission. Further, any such tariff filings will be subject to the same monitoring process as similarly situated competitive local exchange carriers.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Mignon L. Clyburn, Chairman

ATTEST:

Gary E. Walk, Executive Director

(SEAL)